

AO 120 (Rev. 08/10)

TO: Mail Stop 8 Director of the U.S. Patent and Trademark Office P.O. Box 1450 Alexandria, VA 22313-1450	REPORT ON THE FILING OR DETERMINATION OF AN ACTION REGARDING A PATENT OR TRADEMARK
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In Compliance with 35 U.S.C. § 290 and/or 15 U.S.C. § 1116 you are hereby advised that a court action has been filed in the U.S. District Court Western Dist., Austin Div. on the following

☐ Trademarks or ☒ Patents. (☐ the patent action involves 35 U.S.C. § 292.);

DOCKET NO. 1:11-CV-137 LY	DATE FILED 2/22/2011	U.S. DISTRICT COURT Western Dist., Austin Div.
PLAINTIFF Union Properties LLC		DEFENDANT Stamps.com, Inc.
PATENT OR TRADEMARK NO.	DATE OF PATENT OR TRADEMARK	HOLDER OF PATENT OR TRADEMARK
1 see attached		
2 15 <i>Pat's</i> <i>12-6-11</i>		
3		
4		
5		

In the above—entitled case, the following patent(s)/ trademark(s) have been included:

DATE INCLUDED	INCLUDED BY <input type="checkbox"/> Amendment <input type="checkbox"/> Answer <input type="checkbox"/> Cross Bill <input type="checkbox"/> Other Pleading	
PATENT OR TRADEMARK NO.	DATE OF PATENT OR TRADEMARK	HOLDER OF PATENT OR TRADEMARK
1		
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In the above—entitled case, the following decision has been rendered or judgement issued:

DECISION/JUDGEMENT

CLERK WILLIAM G. PUTNICKI	(BY) DEPUTY CLERK <i>Heath</i>	DATE FEB 22 2011
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Copy 1—Upon initiation of action, mail this copy to Director Copy 3—Upon termination of action, mail this copy to Director
Copy 2—Upon filing document adding patent(s), mail this copy to Director Copy 4—Case file copy

1701, SDC-1702, SDC-1704, SDC-1705, SDC-1707, SDC-1709, SDC-1710, SDC-1711, SDC-1712, SDC-1713, SDC-1714, SDC-1751, SDC-1752, SDC-1753, SDC-1754, and SDC-1800 could never have been protected by the '214 Patent, Defendant falsely marked the products.

37. A true and correct copy of U.S. Patent No. No. 7,216,110 ("the '110 Patent") is attached as Exhibit 29. The '110 Patent, entitled "Cryptographic Module for Secure Processing of Value-Bearing Items," issued on May 8, 2007. The '110 Patent has two independent claims—Nos. 1 and 49. None of the claims of the '110 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1002, SDC-1701, SDC-1702, SDC-1704, SDC-1707, SDC-1709, SDC-1710, SDC-1711, SDC-1712, SDC-1713, SDC-1714, SDC-1751, SDC-1752, SDC-1753, and SDC-1754 could never have been protected by the '110 Patent, Defendant falsely marked the products.

38. A true and correct copy of U.S. Patent No. No. 7,236,956 ("the '956 Patent") is attached as Exhibit 30. The '956 Patent, entitled "Role Assignments in a Cryptographic Module for Secure Processing of Value-Bearing Items," issued on June 26, 2007. The '956 Patent has one independent claim. None of the claims of the '956 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1002, SDC-1701, SDC-1702, SDC-1704, SDC-1707, SDC-1709, SDC-1710, SDC-1711, SDC-1712, SDC-1713, SDC-1714, SDC-1751, SDC-1752, SDC-1753, and SDC-1754 could never have been protected by the '956 Patent, Defendant falsely marked the products.

39. A true and correct copy of U.S. Patent No. No. 7,343,357 ("the '357 Patent") is attached as Exhibit 31. The '357 Patent, entitled "System and Method for Printing Multiple Postage Indicia," issued on March 11, 2008. The '357 Patent has six independent claims—Nos. 1, 13, 14, 15, 16, and 17. None of the claims of the '357 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1002, SDC-1701, SDC-1702, SDC-1704, SDC-1707, SDC-1709, SDC-

1710, SDC-1711, SDC-1712, SDC-1713, SDC-1714, SDC-1751, SDC-1752, SDC-1753, and SDC-1754 could never have been protected by the '357 Patent, Defendant falsely marked the products.

40. A true and correct copy of U.S. Patent No. No. 7,490,065 ("the '065 Patent") is attached as Exhibit 32. The '065 Patent, entitled "Cryptographic Module for Secure Processing of Value-Bearing Items," issued on February 10, 2009. The '065 Patent has two independent claims—Nos. 1 and 41. None of the claims of the '065 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1002, SDC-1701, SDC-1702, SDC-1704, SDC-1707, SDC-1709, SDC-1710, SDC-1711, SDC-1712, SDC-1713, SDC-1714, SDC-1751, SDC-1752, SDC-1753, and SDC-1754 could never have been protected by the '065 Patent, Defendant falsely marked the products.

41. A true and correct copy of U.S. Patent No. No. 7,567,940 ("the '940 Patent") is attached as Exhibit 33. The '940 Patent, entitled "Method and Apparatus for On-Line Value-Bearing Item System," issued on July 28, 2009. The '940 Patent has three independent claims—Nos. 1, 28, and 35. None of the claims of the '940 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1002, SDC-1751, SDC-1752, SDC-1753, and SDC-1754 could never have been protected by the '940 Patent, Defendant falsely marked the products.

42. A true and correct copy of U.S. Patent No. No. 7,613,639 ("the '639 Patent") is attached as Exhibit 34. The '639 Patent, entitled "Secure and Recoverable Database for On-Line Value-Bearing Item," issued on November 3, 2009. The '639 Patent has two independent claims—Nos. 1 and 11. None of the claims of the '639 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1751, SDC-1752, SDC-1753, and SDC-1754 could never have been protected by the '639 Patent, Defendant falsely marked the products.

43. Upon information and belief, Defendant Stamps.com marks its other NetStamps Label Sheets, including by way of example only Product Nos. SDC-1703 and SDC-1706, with all or some of the same patents identified in the preceding paragraphs. None of the claims of the patents identified in the preceding paragraphs cover a NetStamps Label Sheet. Since Product Nos. SDC-1703 and SDC-1706 could never have been protected by the patents identified in the preceding paragraphs, upon information and belief, Defendant falsely marks these products.

False Marking by Defendant Stamps.com of Its Shipping Label Sheets

44. Defendant Stamps.com has made, used, sold, and/or offered for sale in the United States and/or imported into the United States Shipping Label Sheets, including by way of example only Product Nos. SDC-1200, SDC-4100, SDC-4600, and SDC-4650. (See Ex. 35, http://customer.stamps.com/Store/catalog/sub_category.jsp?id=cat706910023&navAction=jump&navCount=14 (last visited Feb. 12, 2011).)

45. Upon information and belief, Defendant Stamps.com marks and/or has marked, affixes and/or has affixed, and/or uses and/or has used in advertising in connection with its Shipping Label Sheets, including but not limited to Product Nos. SDC-1200, SDC-4100, and SDC-4600, various inapplicable patents.

46. As illustrated in Exhibit 36, Defendant Stamps.com marked its Premium Shipping Label Sheets, Product No. SDC-1200, with the following ten U.S. Patents: Nos. 5,812,991, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,236, 970, 7,343,357, 7,458, 612, and 7,490,065.

47. None of the claims of the '991 Patent cover a Shipping Label Sheet. (See Ex. 22.) Since Product No. SDC-1200 could never have been protected by the '991 Patent, Defendant falsely marked the product.

48. None of the claims of the '777 Patent cover a Shipping Label Sheet. (*See* Ex. 25.) Since Product No. SDC-1200 could never have been protected by the '777 Patent, Defendant falsely marked the product.

49. None of the claims of the '406 Patent cover a Shipping Label Sheet. (*See* Ex. 27.) Since Product No. SDC-1200 could never have been protected by the '406 Patent, Defendant falsely marked the product.

50. None of the claims of the '214 Patent cover a Shipping Label Sheet. (*See* Ex. 28.) Since Product No. SDC-1200 could never have been protected by the '214 Patent, Defendant falsely marked the product.

51. None of the claims of the '110 Patent cover a Shipping Label Sheet. (*See* Ex. 29.) Since Product No. SDC-1200 could never have been protected by the '110 Patent, Defendant falsely marked the product.

52. None of the claims of the '956 Patent cover a Shipping Label Sheet. (*See* Ex. 30.) Since Product No. SDC-1200 could never have been protected by the '956 Patent, Defendant falsely marked the product.

53. A true and correct copy of U.S. Patent No. No. 7,236,970 ("the '970 Patent") is attached as Exhibit 37. The '970 Patent, entitled "Address Matching System and Method," issued on June 26, 2007. The '970 Patent has two independent claims—Nos. 1 and 7. None of the claims of the '970 Patent cover a Shipping Label Sheet. Moreover, the two independent claims are method claims, so they do not cover any patented article as that term is used in 35 U.S.C. § 292. Since Product No. SDC-1002 could never have been protected by the '970 Patent, Defendant falsely marked the product.

54. None of the claims of the '357 Patent cover a Shipping Label Sheet. (*See* Ex. 31.) Since Product No. SDC-1200 could never have been protected by the '357 Patent, Defendant falsely marked the product.

55. A true and correct copy of U.S. Patent No. No. 7,458,612 ("the '612 Patent") is attached as Exhibit 38. The '612 Patent, entitled "Shipping Label," issued on December 2, 2008. The '612 Patent has three independent claims—Nos. 1, 10, and 13. None of the claims of the '612 Patent cover a blank Shipping Label Sheet. Since Product No. SDC-1002 could never have been protected by the '612 Patent, Defendant falsely marked the product.

56. None of the claims of the '065 Patent cover a Shipping Label Sheet. (*See* Ex. 32.) Since Product No. SDC-1200 could never have been protected by the '065 Patent, Defendant falsely marked the product.

57. Upon information and belief, Defendant Stamps.com marks its other Shipping Label Sheets, including by way of example only Product Nos. SDC-4100 and SDC-4600, with all or some of the same patents identified in the preceding paragraphs. None of the claims of the patents identified in the preceding paragraphs cover a Shipping Label Sheet. Since Product Nos. SDC-4100 and SDC-4600 could never have been protected by the patents identified in the preceding paragraphs, upon information and belief, Defendant falsely marks these products.

False Marking by Defendant Stamps.com of Its Mailing Label Sheets

58. Defendant Stamps.com has made, used, sold, and/or offered for sale in the United States and/or imported into the United States Mailing Label Sheets, including by way of example only Product Nos. SDC-1400, SDC-1903, SDC-2210, SDC, 2310, SDC-3110, SDC-3610, SDC-3710, SDC-3810, and SDC-3900. (*See* Ex. 39, <http://customer.stamps.com/Store/catalog/>

sub_category.jsp?id=cat706910022&navAction=jump&navCount=16 (last visited Feb. 12, 2011).)

59. Upon information and belief, Defendant Stamps.com marks and/or has marked, affixes and/or has affixed, and/or uses and/or has used in advertising in connection with its Mailing Label Sheets, including but not limited to Product Nos. SDC-1903, SDC-2210, SDC, 2310, SDC-3110, and SDC-3900, various inapplicable patents.

60. As illustrated in Exhibit 40, Defendant Stamps.com marked its 2-Part Shipping Label Sheets, Product No. SDC-2210, with the following U.S. Patent: No. 6,461,063.

61. As illustrated in Exhibit 41, Defendant Stamps.com marked its 2-Part Window Envelope Label Sheets, Product No. SDC-2310, with the following U.S. Patent: No. 6,461,063.

62. As illustrated in Exhibit 42, Defendant Stamps.com marked its 3-Part Multi-Purpose Label Sheets, Product No. SDC-3110, with the following two U.S. Patents: Nos. 6,244,763 and 6,461,063.

63. A true and correct copy of U.S. Patent No. No. 6,461,063 ("the '063 Patent") is attached as Exhibit 43. The '063 Patent, entitled "PC Postage Label Usable For Envelopes With Facing Identification Marks," issued on October 8, 2002. The '063 Patent has four independent claims—Nos. 1, 10, 18, and 29. None of the claims of the '063 Patent cover a Shipping Label Sheet having approximately rectangular-shaped postage indicia labels. Since Product Nos. SDC-2210, SDC-2310, and SDC-3110 could never have been protected by the '063 Patent, Defendant falsely marked the products.

64. As illustrated in Exhibit 44, Defendant Stamps.com marked Product No. SDC-3900 with the following three U.S. Patents: Nos. 5,573,277, 5,697,648 and 5,848,809.

65. A true and correct copy of U.S. Patent No. No. 5,848,809 ("the '809 Patent") is attached as Exhibit 45. The '809 Patent, entitled, "Integral Special Service Mailing Assembly and a Method for Using Same," issued on December 15, 1998. The '809 Patent has one independent claim. None of the claims of the '809 Patent cover Product No. SDC-3900, since it has only one return receipt postcard, or special service form. Since Product No. SDC-3900 could never have been protected by the '809 Patent, Defendant falsely marked the product.

66. As illustrated in Exhibit 46, Defendant Stamps.com includes five products in its Stamps.com Label Sampler, Product No. 1903—one sheet each of Product Nos. SDC-1002, SDC-1711, SDC-1200, SDC-3110, and a Themed NetStamps Sampler.

67. Because Defendant Stamps.com marked the single sheet of Original NetStamps Labels, Product No. SDC-1002, included in the Label Sampler as "Patent Pending," Defendant falsely marked Product Nos. SDC-1903 and SDC-1002.

68. Because Defendant Stamps.com marked the single sheet of Liberty NetStamps Labels included in the Label Sampler, Product No. SDC-1711, with the following nine U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, and 7,490,065, Defendant falsely marked Product Nos. SDC-1903 and SDC-1711.

69. Because Defendant Stamps.com marked its single sheet of Premium Shipping Labels included in the Label Sampler, Product No. SDC-1200, with the following ten U.S. Patents: Nos. 5,812,991, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,236, 970, 7,343,357, 7,458, 612, and 7,490,065, Defendant falsely marked Product Nos. SDC-1903 and SDC-1200.

70. Because Defendant Stamps.com marked its single sheet of 3-Part Multi-Purpose Labels included in the Label Sampler, Product No. SDC-3110, with the following U.S. Patents: No. 6,461,063, Defendant falsely marked Product Nos. SDC-1903 and SDC-3110.

71. Because Defendant Stamps.com marked the single sheet of Themed NetStamps Labels included in the Label Sampler with the following nine U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, and 7,490,065, Defendant falsely marked Product Nos. SDC-1903 and the Themed NetStamps Labels.

False Marking by Defendant Stamps.com of Its Stamps.com Software

72. As illustrated in Exhibit 47, Defendant Stamps.com marks Version 8.8 of its Stamps.com Software with the following 28 U.S. Patents: Nos. 5,510,992, 5,682,318, 5,717,597, 5,801,944, 5,812,991, 6,208,980, 6,244,763, 6,249,777, 6,461,063, 6,868,406, 6,889,214, 6,939,063, 6,965,451, 6,982,808, 7,149,726, 7,216,110, 7,233,929, 7,236,956, 7,236,970, 7,243,842, 7,343,357, 7,458,612, 7,490,065, 7,509,291, 7,567,940, 7,613,639, 7,743,043, and 7,765,168.

73. As illustrated in Exhibit 48, Defendant Stamps.com marked Version 8.5 of its Stamps.com Software with the following 24 U.S. Patents: Nos. 5,510,992, 5,682,318, 5,717,597, 5,801,944, 5,812,991, 6,208,980, 6,249,777, 6,461,063, 6,868,406, 6,889,214, 6,939,063, 6,965,451, 6,982,808, 7,149,726, 7,216,110, 7,233,929, 7,236,956, 7,236,970, 7,243,842, 7,343,357, 7,458,612, 7,490,065, 7,509,291, and 7,567,940.

74. Upon information and belief, Defendant Stamps.com has already been sued or is presently being sued for falsely marking various prior versions of its Stamps.com Software with U.S. Patent Nos. 5,510,992, 5,717,597, 5,812,991, 6,889,214, and 7,343,357. This lawsuit does not allege false marking of the Stamps.com Software relating to any of these patents.

75. A true and correct copy of U.S. Patent No. 6,244,763 (“the ’763 Patent”) is attached as Exhibit 49. The ’763 Patent, entitled “PC Postage Label Containing Three Primary Labels for Indicia, Sender and Recipient and Method for Printing Same,” issued on June 12, 2001. The ’763 Patent has three independent claims—Nos. 1, 19, and 31. Claims 1 and 19 are method claims, so they do not cover any patented article as that term is used in 35 U.S.C. § 292. Claim 31 covers Product No. SDC-3110, which is a three-part mailing label. Since Stamps.com’s Software could never have been protected by the ’763 Patent, Defendant falsely marked Version 8.8 of its Stamps.com Software, as well as all prior versions of its software that were marked with the ’763 Patent.

76. The ’063 Patent has four independent claims—Nos. 1, 10, 18, and 29. (*See* Ex. 43.) Claims 1 and 10 cover a Shipping Label product having an nonrectangular-shaped postage indicia label. Claims 18 and 29 are method claims, so they do not cover any patented article as that term is used in 35 U.S.C. § 292. Since Stamps.com’s Software could never have been protected by the ’063 Patent, Defendant falsely marked Version 8.8 of its Stamps.com Software, as well as all prior versions of its software that were marked with the ’063 Patent.

77. A true and correct copy of U.S. Patent No. No. 6,939,063 (“the ’9,063 Patent”) is attached as Exhibit 50. The ’9,063 Patent, entitled “On-Line System for Printing Postal Indicia on Custom Sized Envelopes,” issued on September 6, 2005. The ’9,063 Patent has one independent claim. Claim 1 is a method claim, so it does not cover any patented article as that term is used in 35 U.S.C. § 292. Since Stamps.com’s Software could never have been protected by the ’9,063 Patent, Defendant falsely marked Version 8.8 of its Stamps.com Software, as well as all prior versions of its software that were marked with the ’9,063 Patent.

78. A true and correct copy of U.S. Patent No. No. 7,233,929 (“the ‘929 Patent”) is attached as Exhibit 51. The ‘929 Patent, entitled “Postal System Intranet and Commerce Processing for On-Line Value Bearing System,” issued on June 19, 2007. The ‘929 Patent has one independent claim. Claim 1 is a method claim, so it does not cover any patented article as that term is used in 35 U.S.C. § 292. Since Stamps.com’s Software could never have been protected by the ‘929 Patent, Defendant falsely marked Version 8.8 of its Stamps.com Software, as well as all prior versions of its software that were marked with the ‘929 Patent.

79. The ‘970 Patent has two independent claims—Nos. 1 and 7. (*See* Ex. 37.) Claims 1 and 7 are method claims, so they do not cover any patented article as that term is used in 35 U.S.C. § 292. Since Stamps.com’s Software could never have been protected by the ‘970 Patent, Defendant falsely marked Version 8.8 of its Stamps.com Software, as well as all prior versions of its software that were marked with the ‘970 Patent.

80. The ‘612 Patent has three independent claims—Nos. 1, 10, and 13. (*See* Ex. 38.) Claims 1, 10, and 13 cover a Shipping Label product with certain information printed thereto. Since Stamps.com’s Software could never have been protected by the ‘612 Patent, Defendant falsely marked Version 8.8 of its Stamps.com Software, as well as all prior versions of its software that were marked with the ‘612 Patent.


81. A true and correct copy of U.S. Patent No. No. 7,509,291 (“the ‘291 Patent”) is attached as Exhibit 52. The ‘291 Patent, entitled “Formatting Value-Bearing Item Indicia,” issued on March 24, 2009. The ‘291 Patent has five independent claims—Nos. 1, 10, 19, 23, and 25. Claims 1, 10, 19, and 25 are method claims, so they do not cover any patented article as that term is used in 35 U.S.C. § 292. Claim 23 covers a sheet of label stock. Since Stamps.com’s Software could never have been protected by the ‘291 Patent, Defendant falsely marked Version

FILED

IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF TEXAS
AUSTIN DIVISION

2011 FEB 22 AM 9:25

CLERK US DISTRICT COURT
WESTERN DISTRICT OF TEXAS


BY  DEPUTY

UNION PROPERTIES LLC,
Relator,

v.

STAMPS.COM, INC.,
Defendant.

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Civil Action No. A-11-CA-137 

JURY TRIAL DEMANDED

RELATOR'S' ORIGINAL COMPLAINT FOR FALSE PATENT MARKING

A. Parties

1. Relator, Union Properties LLC ("Union Properties"), is a limited liability company organized and existing under the laws of the State of Texas, with its principal place of business in Austin, Texas.

2. Defendant, Stamps.com, Inc. ("Stamps.com" and/or "Defendant"), is a corporation organized and existing under the laws of the State of Delaware, with its registered place of business at 3420 Ocean Park Blvd., Ste. 1040, Santa Monica, California 90405. Defendant may be served with process through its registered agent, Corporation Service Company, 211 E. 7th Street, Ste. 620, Austin, Texas 78701-3218.

B. Jurisdiction

3. This Court has jurisdiction over the lawsuit because the action arises under the patent laws of the United States, 35 U.S.C. §§ 1 *et seq.* This Court has subject matter jurisdiction over these claims pursuant to 28 U.S.C. §§ 1331 and 1338(a).

4. This Court has general and specific personal jurisdiction over Defendant by virtue of, *inter alia*, Defendant's persistent and continuous contacts with this District, including: (1) active and regular conduct of business during the relevant time period in this District; (2) deriving substantial revenue from goods and/or services provided to individuals and other

8.8 of its Stamps.com Software, as well as all prior versions of its software that were marked with the '291 Patent.

82. A true and correct copy of U.S. Patent No. No. 7,743,043 ("the '043 Patent") is attached as Exhibit 53. The '043 Patent, entitled "Address Matching System and Method," issued on June 22, 2010. The '043 Patent has two independent claims—Nos. 1 and 9. Claims 1 and 9 are method claims, so they do not cover any patented article as that term is used in 35 U.S.C. § 292. Since Stamps.com's Software could never have been protected by the '043 Patent, Defendant falsely marked Version 8.8 of its Stamps.com Software, as well as all prior versions of its software that were marked with the '043 Patent.

False Marking by Defendant Stamps.com of Its Stamps.com On-Line

83. As illustrated in Exhibits 54 and 55, Defendant Stamps.com marks of its Internet-based version of its software, Stamps.com On-Line, with the following 19 U.S. Patents: Nos. U.S. 5,510,992, 5,682,318, 5,717,597, 5,801,944, 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,236,970, 7,343,357, 7,458,612, 7,490,065, 7,567,940, 7,613,639, 7,765,168, and 7,774,285.

84. Upon information and belief, Defendant Stamps.com has already been sued or is presently being sued by another entity for falsely marking Stamps.com On-Line with U.S. Patent Nos. 5,510,992, 5,717,597, 5,812,991, 6,889,214, and 7,343,357.

85. This lawsuit filed by Union Properties, LLC, does not allege false marking of the Stamps.com Software relating to U.S. Patent Nos. 5,510,992, 5,717,597, 5,812,991, 6,889,214, and 7,343,357.

86. The '970 Patent has two independent claims—Nos. 1 and 7. (*See* Ex. 37.) Claims 1 and 7 are method claims, so they do not cover any patented article as that term is used

in 35 U.S.C. § 292. Since Stamps.com On-Line could never have been protected by the '970 Patent, Defendant falsely marked the present version of Stamps.com On-Line, as well as all prior versions that were marked with the '970 Patent.

87. The '612 Patent has three independent claims—Nos. 1, 10, and 13. (Ex. 38.) Claims 1, 10, and 13 cover a Shipping Label product with certain information printed thereto. Since Stamps.com On-Line could never have been protected by the '612 Patent, Defendant falsely marked the present version of Stamps.com On-Line, as well as all prior versions that were marked with the '612 Patent.

88. Defendant Stamps.com is a large sophisticated business. With over 400,000 monthly subscribers, Stamps.com is the leading provider of Internet-based postage solutions. (Ex. 56, <http://www.stamps.com/company-info/overview> (last visited Feb. 11, 2011).) Stamps.com was the first company to be approved by the U.S. Postal Service to offer a software-only postage service that lets customers buy and print postage online. (*Id.*) The company targets small businesses, small and home offices and individuals through partnerships with companies, including Microsoft, EarthLink, HP, Office Depot, NCR, Corel, the U.S. Postal Service and others. (*Id.*) Stamps.com is a publicly traded company on the NASDAQ under the symbol STMP. (*Id.*)

89. Stamps.com's Chief Legal Officer and Secretary is a registered patent attorney with years of intellectual property licensing experience. (Ex. 57, <http://www.stamps.com/company-info/executives/> (last visited Feb. 11, 2011).) Further, Stamps.com has and/or regularly retains sophisticated legal counsel. Stamps.com has many years of experience applying for patents, obtaining patents, licensing patents, and/or litigating in patent infringement lawsuits. Stamps.com is the assignee of approximately 103 patents

according to the records of the United States Patent and Trademark Office. Stamps.com's intellectual property is an important asset to Stamps.com, and it is consistently reviewed and monitored in the course of Stamps.com's business.

90. Stamps.com knew that its NetStamps Label Sheets, including but not limited to Product Nos. SDC-1002, SDC-1701, SDC-1702, SDC-1703, SDC-1704, SDC-1705, SDC-1706, SDC-1707, SDC-1709, SDC-1710, SDC-1711, SDC-1712, SDC-1713, SDC-1714, SDC-1751, SDC-1752, SDC-1753, SDC-1754, and SDC-1800, ("Falsely-Marked NetStamps Label Sheets") were not inventions that were covered by the inapplicable patents identified in the preceding paragraphs.

91. Stamps.com knew that the Shipping Label Sheets, including but not limited to Product Nos. SDC-1200, SDC-4100, and SDC-4600, ("Falsely-Marked Shipping Label Products") were not inventions that were covered by the inapplicable patents identified in the preceding paragraphs.

92. Stamps.com knew that the Mailing Label products, including but not limited to Product Nos. SDC-1903, SDC-2210, SDC, 2310, SDC-3110, and SDC-3900, ("Falsely-Marked Mailing Label Products") were not inventions that were covered by the inapplicable patents identified in the preceding paragraphs.

93. Stamps.com knew that the Stamps.com Software, including but not limited to Version 8.8 and all prior versions, ("Falsely-Marked Stamps.com Software") were not inventions that were covered by the inapplicable patents identified in the preceding paragraphs.

94. Stamps.com knew that the present version of Stamps.com On-Line, as well as prior versions, ("Falsely-Marked Stamps.com On-Line") were not inventions that were covered by the inapplicable patents identified in the preceding paragraphs.

95. Each of the Falsely-Marked NetStamps Label Sheets, Falsely-Marked Shipping Label Sheets, Falsely-Marked Mailing Label Sheets, Falsely-Marked Stamps.com Software, and Falsely-Marked Stamps.com On-Line could have easily been made without falsely marking them with the inapplicable patents identified in the preceding paragraphs.

96. Stamps.com knew that it was a false statement to mark the Falsely-Marked NetStamps Label Sheets, Falsely-Marked Shipping Label Sheets, Falsely-Marked Mailing Label Sheets, Falsely-Marked Stamps.com Software, and Falsely-Marked Stamps.com On-Line with inapplicable patents.

97. Stamps.com did not have, and could not have had, a reasonable belief that the Falsely-Marked NetStamps Label Sheets, Falsely-Marked Shipping Label Sheets, Falsely-Marked Mailing Label Sheets, Falsely-Marked Stamps.com Software, and Falsely-Marked Stamps.com On-Line were properly marked.

98. Stamps.com marked the Falsely-Marked NetStamps Label Sheets, Falsely-Marked Shipping Label Sheets, Falsely-Marked Mailing Label Sheets, Falsely-Marked Stamps.com Software, and Falsely-Marked Stamps.com On-Line for the purpose for deceiving the public into believing that the products were patented and to thwart competition.

Injury to the United States of America

99. Stamps.com's practice of false marking is injurious to the United States.

100. Stamps.com's false marking alleged in the preceding paragraphs caused injury to the sovereignty of the United States arising from violations of federal law, specifically, the violation of 35 U.S.C. § 292. The United States has conferred standing on "any person," including the Relator, as the United States' assignee of the claims in the Complaint to enforce 35 U.S.C. § 292.

101. Stamps.com's false marking alleged in the preceding paragraphs caused proprietary injury to the United States, which, together with 35 U.S.C. § 292, would provide another basis to confer standing on Relator as the United States' assignee.

102. The marking and false marking statutes exist to provide the public notice of patent rights. Congress intended the public to rely upon marking as a ready means of discerning the status of intellectual property embodied in an article of manufacture or design, such as in Falsely-Marked NetStamps Label Sheets, Falsely-Marked Shipping Label Sheets, Falsely-Marked Mailing Label Sheets, Falsely-Marked Stamps.com Software, and Falsely-Marked Stamps.com On-Line.

103. Federal patent policy recognizes an important public interest in permitting full and free competition in the use of ideas that are, in reality, a part of the public domain.

104. The public's interest in preventing false marking was so great that the United States enacted a statute that sought to encourage private parties to enforce the statute. By permitting members of the public to bring *qui tam* suits on behalf of the government, Congress authorized private persons, such as Relator, to help control false marking.

105. Stamps.com's false marking alleged in the preceding paragraphs deter innovation and stifle competition in the marketplace for at least the following reasons: (1) if an article that is within the public domain is falsely marked, potential competitors may be dissuaded from entering the same market; (2) false marks may deter scientific research when an inventor sees a mark and decides to forego continued research to avoid possible infringement; and (3) false marking can cause unnecessary investment in design around or costs incurred to analyze the validity or enforceability of a patent whose number has been marked upon a product with which a competitor would like to compete.

106. Stamps.com's false marking alleged in the preceding paragraphs misleads the public into believing that the various inapplicable patents gives Stamps.com control of Stamps.com's Falsely-Marked NetStamps Label Sheets, Falsely-Marked Shipping Label Sheets, Falsely-Marked Mailing Label Sheets, Falsely-Marked Stamps.com Software, and Falsely-Marked Stamps.com On-Line (as well as similar products), which places the risk of determining whether Stamps.com's Falsely-Marked NetStamps Label Sheets, Falsely-Marked Shipping Label Sheets, Falsely-Marked Mailing Label Sheets, Falsely-Marked Stamps.com Software, and Falsely-Marked Stamps.com On-Line and similar products are controlled by the various inapplicable patents on the public, thereby increasing the cost to the public of determining who, if anyone, in fact controls the intellectual property embodied in Stamps.com's Falsely-Marked NetStamps Label Sheets, Falsely-Marked Shipping Label Sheets, Falsely-Marked Mailing Label Sheets, Falsely-Marked Stamps.com Software, and Falsely-Marked Stamps.com On-Line.

107. Thus, in each instance where a representation is made that Stamps.com's Falsely-Marked NetStamps Label Sheets, Falsely-Marked Shipping Label Sheets, Falsely-Marked Mailing Label Sheets, Falsely-Marked Stamps.com Software, and Falsely-Marked Stamps.com On-Line is protected by an inapplicable patent, a member of the public desiring to participate in the market for products similar to Stamps.com's Falsely-Marked NetStamps Label Sheets, Falsely-Marked Shipping Label Sheets, Falsely-Marked Mailing Label Sheets, Falsely-Marked Stamps.com Software, and Falsely-Marked Stamps.com On-Line must incur the cost of determining whether the involved patents are valid and enforceable. Failure to take on the costs of a reasonably competent search for information necessary to interpret each patent, investigation into prior art and other information bearing on the quality of the patents, and analysis thereof can

result in a finding of willful infringement, which may treble the damages an infringer would otherwise be required to pay.

108. Stamps.com's false marking alleged in the preceding paragraphs also creates a misleading impression that Stamps.com's Falsely-Marked NetStamps Label Sheets, Falsely-Marked Shipping Label Sheets, Falsely-Marked Mailing Label Sheets, Falsely-Marked Stamps.com Software, and/or Falsely-Marked Stamps.com On-Line are technologically superior to previously available products, as articles bearing the term "patent" may be presumed to be novel, useful, and innovative.

109. Every person or company in the United States is a potential entrepreneur regarding the apparatus described in the various inapplicable patents. Moreover, every person or company in the United States is a potential competitor with respect to Stamps.com's Falsely-Marked NetStamps Label Sheets, Falsely-Marked Shipping Label Sheets, Falsely-Marked Mailing Label Sheets, Falsely-Marked Stamps.com Software, and/or Falsely-Marked Stamps.com On-Line that are marked with an inapplicable patent.

110. Each of Stamps.com's Falsely-Marked NetStamps Label Sheets, Falsely-Marked Shipping Label Sheets, Falsely-Marked Mailing Label Sheets, Falsely-Marked Stamps.com Software, and/or Falsely-Marked Stamps.com On-Line, is likely to, or at least has the potential to, discourage or deter each person or company, which view such marking from commercializing a competing product, even though the various patents are inapplicable.

111. Stamps.com's false marking alleged in the preceding paragraphs has quelled competition regarding similar products to an immeasurable extent, thus, causing harm to the United States in an amount that cannot be determined readily.

112. Stamps.com's false marking alleged in the preceding paragraphs constitutes wrongful and illegal advertisement of a patent monopoly that does not exist and, as a result, has resulted in increasing, or at least maintaining, the market power or commercial success of Stamps.com's Falsely-Marked NetStamps Label Sheets, Falsely-Marked Shipping Label Sheets, Falsely-Marked Mailing Label Sheets, Falsely-Marked Stamps.com Software, and/or Falsely-Marked Stamps.com On-Line.

113. Each individual false marking is likely to harm, or at least potentially harm, the public. Thus, each such false marking is a separate offense under 35 U.S.C. § 292(b).

114. For at least the reasons stated in the preceding paragraphs, Stamps.com's false marking caused injuries to the United States arising from violations of federal law and has caused proprietary injuries to the United States.

E. Count 1 – False Marking of NetStamps Label Sheets

115. Relator incorporates all of the preceding paragraphs as if fully set herein. Stamps.com has violated 35 U.S.C. § 292 by falsely marking the Falsely-Marked NetStamps Label Sheets for the purpose for deceiving the public.

F. Count 2 – False Marking of Shipping Label Sheets

116. Relator incorporates all of the preceding paragraphs as if fully set herein. Stamps.com has violated 35 U.S.C. § 292 by falsely marking the Falsely-Marked Shipping Label Sheets for the purpose for deceiving the public.

G. Count 3 – False Marking of Mailing Label Sheets

117. Relator incorporates all of the preceding paragraphs as if fully set herein. Stamps.com has violated 35 U.S.C. § 292 by falsely marking the Falsely-Marked Mailing Label Sheets for the purpose for deceiving the public.

H. Count 4 – False Marking of Stamps.com Software

118. Relator incorporates all of the preceding paragraphs as if fully set herein. Stamps.com has violated 35 U.S.C. § 292 by falsely marking the Falsely-Marked Stamps.com Software for the purpose for deceiving the public.

I. Count 5 – False Marking of Stamps.com On-Line

119. Relator incorporates all of the preceding paragraphs as if fully set herein. Stamps.com has violated 35 U.S.C. § 292 by falsely marking the Falsely-Marked Stamps.com On-Line for the purpose for deceiving the public.

J. Jury Demand

120. Relator asserts its rights under the Seventh Amendment to the U.S. Constitution and demands, in accordance with Federal Rule of Civil Procedure 38, a trial by jury on all issues.

K. Prayer

121. For these reasons, Relator requests a judgment against Stamps.com for the following:

- a. A judgment in favor of Relator that Stamps.com has violated 35 U.S.C. § 292 by falsely marking products with knowledge that the patents have expired or are otherwise inapplicable for the purpose of deceiving the public;
- b. An accounting of total unit sales, per unit sales price, per unit revenue, gross revenue, per unit profit, and gross profit for any falsely-marked articles;
- c. A monetary award pursuant to 35 U.S.C. § 292 in the form of a civil fine of \$500 per falsely-marked article, or an alternative reasonable amount determined by the Court taking into consideration the sales, price, the total

revenue and gross profit derived from the sale of falsely-marked articles and the degree of intent to falsely mark the articles, one-half of which shall be paid to the United States and the other half to the Relator;

- d. A judgment declaring that this case is “exceptional” under 35 U.S.C. § 285; and awarding Relator its costs, including reasonable attorney’s fees, in bringing and maintaining this lawsuit;
- e. An injunction ordering Stamps.com, and its officers, agents, servants, employees, attorneys, licenses, successors, and assigns and those in active concert or participation with any of them, to cease all existing acts of false marking within 90 days and from committing any new acts of false marking;
- f. An award of pre-judgment and post-judgment interest on any monetary award;
- g. Costs of court;
- h. All other relief, at law and in equity, which this Court deems appropriate.

entities in Texas and in this District; (3) offering for sale, selling, and/or advertising: its falsely-marked NetStamps Label Sheets, Shipping Label Sheets, and Mailing Label Sheets; its falsely marked software; and its falsely marked Internet website in this District.

C. Venue

5. Venue is proper in this District under 28 U.S.C. §§ 1391(b), 1391(c), and 1395(a).

D. Facts

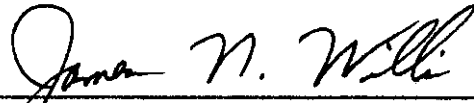
6. This is an action for false patent marking under 35 U.S.C. § 292, which provides that any person may sue to recover the civil penalty for false patent marking. Relator brings this *qui tam* action on behalf of the United States of America.

False Marking by Defendant Stamps.com of Its NetStamps Label Sheets

7. Defendant Stamps.com has made, used, sold, and/or offered for sale in the United States and/or imported into the United States NetStamps Label Sheets, including by way of example only Product Nos. SDC-1002, SDC-1701, SDC-1702, SDC-1703, SDC-1704, SDC-1705, SDC-1706, SDC-1707, SDC-1709, SDC-1710, SDC-1711, SDC-1712, SDC-1713, SDC-1714, SDC-1751, SDC-1752, SDC-1753, SDC-1754, and SDC-1800. (See Ex. 1, http://customer.stamps.com/Store/catalog/sub_category.jsp?id=cat706910025&navAction=jump&navCount=6 (last visited Feb. 12, 2011).)

8. Upon information and belief, Stamps.com marks and/or has marked, affixes and/or has affixed, and/or uses and/or has used in advertising in connection with its NetStamps Label Sheets, including but not limited to Product Nos. SDC-1002, SDC-1701, SDC-1702, SDC-1703, SDC-1704, SDC-1705, SDC-1706, SDC-1707, SDC-1709, SDC-1710, SDC-1711, SDC-1712, SDC-1713, SDC-1714, SDC-1751, SDC-1752, SDC-1753, SDC-1754, and SDC-1800, various inapplicable patents.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James N. Willi", is written over a horizontal line.

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ATTORNEYS FOR RELATOR,
UNION PROPERTIES LLC

9. As illustrated in Exhibit 2, Defendant Stamps.com marked its Original NetStamps Label Sheets, Product No. SDC-1002, with the following ten U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, 7,490,065, and 7,567,940.

10. As illustrated in Exhibit 3, Defendant Stamps.com marked its Patriotic NetStamps Label Sheets, Product No. SDC-1701, with the following nine U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, and 7,490,065.

11. As illustrated in Exhibit 4, Defendant Stamps.com marked its Endangered Species NetStamps Label Sheets, Product No. SDC-1702, with the following nine U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, and 7,490,065.

12. As illustrated in Exhibit 5, Defendant Stamps.com marked its Flowers NetStamps Label Sheets, Product No. SDC-1704, with the following nine U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, and 7,490,065.

13. As illustrated in Exhibit 6, Defendant Stamps.com marked its Presidential Monuments NetStamps Label Sheets, Product No. SDC-1705, with the following eleven U.S. Patents: Nos. 5,510,992, 5,682,318, 5,717,597, 5,801,944, 5,812,991, 5,819,240, 6,208,980, 6,249,777, 6,671,813, 6,868,406, and 6,889,214.

14. As illustrated in Exhibit 7, Defendant Stamps.com marked its Autumn Netstamps Label Sheets, Product No. SDC-1707, with the following nine U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, and 7,490,065.

15. As illustrated in Exhibit 8, Defendant Stamps.com marked its Holiday NetStamps Label Sheets, Product No. SDC-1709, with the following nine U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, and 7,490,065.

16. As illustrated in Exhibit 9, Defendant Stamps.com marked its Love NetStamps Label Sheets, Product No. SDC-1710, with the following nine U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, and 7,490,065.

17. As illustrated in Exhibit 10, Defendant Stamps.com marked its Liberty NetStamps Label Sheets, Product No. SDC-1711, with the following nine U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, and 7,490,065.

18. As illustrated in Exhibit 11, Defendant Stamps.com marked its Thank You NetStamps Label Sheets, Product No. SDC-1712, with the following nine U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, and 7,490,065.

19. As illustrated in Exhibit 12, Defendant Stamps.com marked its Special Invitation NetStamps Label Sheets, Product No. SDC-1713, with the following nine U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, and 7,490,065.

20. As illustrated in Exhibit 13, Defendant Stamps.com marked its We're Moving NetStamps Label Sheets, Product No. SDC-1714, with the following nine U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, and 7,490,065.

21. As illustrated in Exhibit 14, Defendant Stamps.com marked its Patriotic Mini NetStamps Label Sheets, Product No. SDC-1751, with the following eleven U.S. Patents: Nos.

5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, 7,490,065, 7,567,940, and 7,613,639.

22. As illustrated in Exhibit 15, Defendant Stamps.com marked its Christmas Mini NetStamps Label Sheets, Product No. SDC-1752, with the following eleven U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, 7,490,065, 7,567,940, and 7,613,639.

23. As illustrated in Exhibit 16, Defendant Stamps.com marked its Hanukkah Mini NetStamps Label Sheets, Product No. SDC-1753, with the following eleven U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, 7,490,065, 7,567,940, and 7,613,639.

24. As illustrated in Exhibit 17, Defendant Stamps.com marked its Love Mini NetStamps Label Sheets, Product No. SDC-1754, with the following eleven U.S. Patents: Nos. 5,812,991, 6,208,980, 6,249,777, 6,868,406, 6,889,214, 7,216,110, 7,236,956, 7,343,357, 7,490,065, 7,567,940, and 7,613,639.

25. As illustrated in Exhibit 58, Defendant Stamps.com marked its Photo NetStamps Label Sheets, Product No. SDC-1800, with the following eleven U.S. Patents: Nos. 5,510,992, 5,682,318, 5,717,597, 5,801,944, 5,812,991, 5,819,240, 6,208,980, 6,249,777, 6,671,813, 6,868,406, and 6,889,214.

26. A true and correct copy of U.S. Patent No. No. 5,510,992 ("the '992 Patent") is attached as Exhibit 18. The '992 Patent, entitled "System and Method for Automatically Printing Postage on Mail," issued on April 23, 1996. The '992 Patent has five independent claims—Nos. 1, 5, 9, 19, and 29. None of the claims of the '992 Patent cover a NetStamps Label

Sheet. Since Product Nos. SDC-1705 and SDC-1800 could never have been protected by the '992 Patent, Defendant falsely marked the products.

27. A true and correct copy of U.S. Patent No. No. 5,682,318 ("the '318 Patent") is attached as Exhibit 19. The '318 Patent, entitled "System and Method for Storing Postage in a Computer System," issued on October 28, 1997. The '318 Patent has four independent claims—Nos. 1, 11, 21, and 29. None of the claims of the '318 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1705 and SDC-1800 could never have been protected by the '318 Patent, Defendant falsely marked the products.

28. A true and correct copy of U.S. Patent No. No. 5,717,597 ("the '597 Patent") is attached as Exhibit 20. The '597 Patent, entitled "System and Method for Printing Personalized Postage Indicia on Greeting Cards," issued on February 10, 1998. The '597 Patent has five independent claims—Nos. 1, 11, 20, 28, and 34. None of the claims of the '597 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1705 and SDC-1800 could never have been protected by the '597 Patent, Defendant falsely marked the products.

29. A true and correct copy of U.S. Patent No. No. 5,801,944 ("the '944 Patent") is attached as Exhibit 21. The '944 Patent, entitled "System and Method for Printing Postage Indicia Directly on Documents," issued on September 1, 1998. The '944 Patent has four independent claims—Nos. 1, 11, 21, and 27. None of the claims of the '944 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1705 and SDC-1800 could never have been protected by the '944 Patent, Defendant falsely marked the products.

30. A true and correct copy of U.S. Patent No. No. 5,812,991 ("the '991 Patent") is attached as Exhibit 22. The '991 Patent, entitled "System and Method for Retrieving Postage Credit Contained Within a Portable Memory Over a Computer Network," issued on September

22, 1998. The '991 Patent has nine independent claims—Nos. 1, 25, 40, 45, 52, 74, 77, 80, and 86. None of the claims of the '991 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1002, SDC-1701, SDC-1702, SDC-1704, SDC-1705, SDC-1707, SDC-1709, SDC-1710, SDC-1711, SDC-1712, SDC-1713, SDC-1714, SDC-1751, SDC-1752, SDC-1753, SDC-1754, and SDC-1800 could never have been protected by the '991 Patent, Defendant falsely marked the products.

31. A true and correct copy of U.S. Patent No. No. 5,819,240 (“the '240 Patent”) is attached as Exhibit 23. The '240 Patent, entitled “System and Method for Generating Personalized Postage Indicia,” issued on October 6, 1998. The '240 Patent has ten independent claims—Nos. 1, 18, 28, 35, 37, 40, 43, 47, 51, and 68. None of the claims of the '240 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1705 and SDC-1800 could never have been protected by the '240 Patent, Defendant falsely marked the products.

32. A true and correct copy of U.S. Patent No. No. 6,208,980 (“the '980 Patent”) is attached as Exhibit 24. The '980 Patent, entitled “System and Method for Printing Multiple Postage Indicia,” issued on March 27, 2001. The '980 Patent has five independent claims—Nos. 1, 14, 26, 34, and 43. None of the claims of the '980 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1002, SDC-1701, SDC-1702, SDC-1704, SDC-1705, SDC-1707, SDC-1709, SDC-1710, SDC-1711, SDC-1712, SDC-1713, SDC-1714, SDC-1751, SDC-1752, SDC-1753, SDC-1754, and SDC-1800 could never have been protected by the '980 Patent, Defendant falsely marked the products.

33. A true and correct copy of U.S. Patent No. No. 6,249,777 (“the '777 Patent”) is attached as Exhibit 25. The '777 Patent, entitled “System and Method for Remote Postage Metering,” issued on June 19, 2001. The '777 Patent has five independent claims—Nos. 1, 19,

31, 43, and 55. None of the claims of the '777 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1002, SDC-1701, SDC-1702, SDC-1704, SDC-1705, SDC-1707, SDC-1709, SDC-1710, SDC-1711, SDC-1712, SDC-1713, SDC-1714, SDC-1751, SDC-1752, SDC-1753, SDC-1754, and SDC-1800 could never have been protected by the '777 Patent, Defendant falsely marked the products.

34. A true and correct copy of U.S. Patent No. No. 6,671,813 ("the '813 Patent") is attached as Exhibit 26. The '813 Patent, entitled "Secure On-Line PC Postage Metering System," issued on December 30, 2003. The '813 Patent has three independent claims—Nos. 1, 64, and 127. None of the claims of the '813 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1705 and SDC-1800 could never have been protected by the '813 Patent, Defendant falsely marked the product.

35. A true and correct copy of U.S. Patent No. No. 6,868,406 ("the '406 Patent") is attached as Exhibit 27. The '406 Patent, entitled "Auditing Method and System for an On-Line Value-Bearing Item Printing System," issued on March 15, 2005. The '406 Patent has two independent claims—Nos. 1 and 29. None of the claims of the '406 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1002, SDC-1701, SDC-1702, SDC-1704, SDC-1705, SDC-1707, SDC-1709, SDC-1710, SDC-1711, SDC-1712, SDC-1713, SDC-1714, SDC-1751, SDC-1752, SDC-1753, SDC-1754, and SDC-1800 could never have been protected by the '406 Patent, Defendant falsely marked the products.

36. A true and correct copy of U.S. Patent No. No. 6,889,214 ("the '214 Patent") is attached as Exhibit 28. The '214 Patent, entitled "Virtual Security Device," issued on May 3, 2005. The '214 Patent has five independent claims—Nos. 1, 31, 49, 61, and 81. None of the claims of the '214 Patent cover a NetStamps Label Sheet. Since Product Nos. SDC-1002, SDC-